August 26, 2005

Associate Administrator for Safety Assurance National Highway Traffic Safety Administration 400 Seventh Street, S.W. Washington, D.C. 20590

Subject: Land Rover Recall No. B016 – Certain 2005 Model Year LR3 Vehicles – Petrol Fuel Tanks

Summary

<u>Land Rover Action</u> – Land Rover is conducting a voluntary safety recall involving certain 2005 model year Discovery LR3 vehicles built at the Solihull (UK) Assembly Plant from May 24, 2004, through April 30, 2005 to have the fuel tank replaced.

<u>Number of Vehicles Involved</u> – 17,263 vehicles in the United States and Federated Territories.

Affect on Vehicle Operation -

Some of the affected vehicles may have fuel tanks that contain an internal breather pipe that was not made to specification. This may result in excessive swelling and cracking of a grommet and subsequent detachment of the breather pipe from a connector tube. When the fuel level in the tank is above the level of the detached joint, fuel may then enter the breather pipe. The vehicle may exhibit MIL illumination, fuel odor, drivability concerns such as hesitation, misfire, stalling, rough running or difficulty in starting. If the amount of fuel flowing into the breather pipe reaches the vapor canister and exceeds its capacity, the excess fuel may be discharged onto the ground. Fuel leaks have been reported only in hot climatic conditions, usually after the vehicle has been refueled.

<u>Service Program</u> – Dealers will be instructed to replace the fuel tanks on the affected vehicles.

Attached is the detailed information required by the applicable portions of 49 CFR Part 573 - Defect and Non-Compliance Information Report.

Sincerely,

Dennis T. Johnston Manager, Product Compliance

49 CFR Part 573 - DEFECT INFORMATION REPORT RECALL B016 - Certain 2005 Model Year Discovery LR3 Vehicles - Petrol Fuel Tanks

Pursuant to Part 573 of Title 49 of the Code of Federal Regulations, Defect and Noncompliance Reports, Land Rover submits the following information concerning a safety recall action that it is voluntarily initiating.

573.6 (c) (2) - Potentially Affected Vehicles

Certain 2005 model year Discovery LR3 petrol vehicles built at the Solihull (UK) Assembly Plant from May 24, 2004, through April 30, 2005, VIN range SALAA25425A000360 to SALAE24455A342827, are potentially affected.

573.6 (c) (3) -- Estimated Population of Vehicles Potentially Affected

17,263 vehicles in the United States and Federated Territories.

573.6 (c) (4) - Estimated Percentage of Affected Vehicles with the Condition

Approximately 20% of the vehicles may contain the concern

573.6 (c) (5) -- Description of the Defect

Some of the affected vehicles may have fuel tanks that contain an internal breather pipe that was not made to specification. This may result in excessive swelling and cracking of a grommet and subsequent detachment of the breather pipe from a connector tube. When the fuel level in the tank is above the level of the detached joint, fuel may then enter the breather pipe. The vehicle may exhibit MIL illumination, fuel odor, drivability concerns such as hesitation, misfire, stalling, rough running or difficulty in starting. If the amount of fuel flowing into the breather pipe reaches the vapor canister and exceeds its capacity, the excess fuel may be discharged onto the ground. Fuel leaks have been reported only in hot climatic conditions, usually after the vehicle has been refueled.

573.6 (c) (6) -- Chronology of Events

In May 2005 Land Rover received several field reports from the United Arab Emirates (UAE) of concerns with vehicles exhibiting fuel leakage from the rear of the vehicle. This matter was raised on May 18, 2005 to the Land Rover Critical Concerns Review Group (CCRG) for investigation. The part supplier and Land Rover engineers visited the UAE to better understand the conditions present when fuel leaks were reported to have occurred and undertook detailed inspections of the suspect fuel tanks. Initial investigations centered on the refueling practices in this market where the engine is often left running during refueling. Results of their visits and Land Rover's own investigations were reviewed regularly throughout the remainder of May at the CCRG

Through June 2005, a further ten field reports were received from other hot climate markets including six reports from hot weather states in the U.S., and as the investigation continued, a

better understanding of the potential failure mechanism was being developed with Land Rover and the suppliers engineers. Associated supplier change points and production process controls were investigated to determine when changes were made to the manufacturing process of the fuel tank and its subcomponents.

During July 2005, 17 additional field reports were received, again, from hot climate markets and extending to the hot weather states in the U.S. The investigation was reviewed by Land Rover's Technical Review Group. Bench tests were developed to test representative fuel tanks at the supplier to better understand the causes of the detached breather pipe within the fuel tank and what, if any, other factors contributed to the reported detachments.

The investigation was further reviewed at Land Rover's TRG in early August 2005 where the full failure modes and the scope of the affected vehicle population were reviewed, and at the Land Rover Field Review Committee of August 19, 2005, where Land Rover management decided to voluntarily recall these vehicles to replace the fuel tanks.

There have been no reports of any accidents, fires, or injuries as a result of this concern.

573.6 (c) (8) Service Program

Dealers will be instructed to replace the fuel tanks on the affected vehicles. There will be no charge to owners for this service.

Because of the time required to produce the large number of fuel tanks required for this recall, Land Rover plans a phased notification to owners beginning the week of October 14, 2005.

573.6 (c) (9) -- Press statement and Dealer/Owner Letters

Land Rover does not plan to make a public statement concerning the subject matter of this action. A copy of the notification letters to dealers and owners from Land Rover will be forwarded when available.

573.6 (c) (11) -- Recall Number

Land Rover has assigned recall number B016 to this action.